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THE DIRECTOR OF CENTRAL INTELLIGENCE

WASHINGTON, D.C. 20505

National Intelligence Council

NFAC #6588-81
16 October 1981

MEMORANDUM FOR: Director of Central Intelligence

VIA : Chairman, National Intelligence Council

FROM : [REDACTED]
National Intelligence Officer for Economics

SUBJECT : Yamal Pipeline

1. The estimates we have received [REDACTED] concerning the potential delays in completion of the Yamal pipeline if the US denies an export license for [REDACTED] compressor components involve two major judgments, the first of which is probably far better based than the second one:

a. Producing the compressor components (rotors and shafts) in Europe rather than in the US would entail delays of about two years. [REDACTED] presumably has the technical expertise to make such a judgment.

b. These delays, in turn, would result in about a two-year delay in completion of the pipeline itself--neither [REDACTED] nor we can be confident about this judgment. [REDACTED]

2. CIA has estimated that the pipeline could be completed in five years--a year longer than planned. Many technical problems that would cause further delays could be encountered. The timing of compressor deliveries may or may not become a critical factor. We simply do not know. We have little in-house expertise on pipeline construction and have not yet had the opportunity to discuss the problem with companies experienced in this activity. Consequently, I do not believe we are able to make a strong judgment on this matter other than to point out that not licensing the components would substantially complicate the Soviets' technical problems in building the pipeline and could cause lengthy delays in its completion. [REDACTED]

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